

**PLAN I "SELF SERVICE"  
FULL PRICE  
CONTRACT SYNOPSIS**

1977-1978 VOLUNTARY 2004

COMPANY	R.J. REYNOLDS	AMERICAN TOBACCO	UGBETT GROUP	LORELLARD	B & W	PHILIP MORRIS MASTERS IN RETAIL EXCELLENCE
<b>Minimum Rows Required</b>	7 Shelf unit - Top 2 shelves, 8 Shelf unit - Top shelf with add'l space on 2nd shelf. Must have 85 to 90% of fixtures.	Volume 800 + 28 ROWS (Max of 40 rows) Volume 400-800 28 ROWS (Max of 38 rows)	* 10	16	Accounts primary method of sale must be by the carton. Minimum of 40 CPW of B&W sales OR 800 Cartons per week Total store sales.	Based on levels of performance & P.M. Volume, P.M. requires complete compliance within a MPL (Level) to qualify for payment. P.M. requires their stores to be their 80% (share of sales) in the store or their 80% (share of market), whichever is greater in each category. <b>NOTE:</b> Lobby sale fixtures located after the checkout area are paid as a non-self service fixture. <b>Plan C1 - MPL 1</b>
<b>Minimum Payment</b>	\$80.00	Volume 800 + \$80.00 Volume 400-800 \$40.00	\$80.00	\$44.00	Position on fixtures must be agreeable to B & W. No payment for bottom shelf rows except: 1) spillover or 2) bottom rows are part of a vertical merchandising set.	88 Cartons fixture prior to the checkout area. If P.M. fixture, P.M. must occupy Top 2 shelves + contiguous space; if R.J.R. fixture P.M. must have 2nd + contiguous plus 80% of fixture signage. If vertical merchandising, P.M. wants 80% of top plus signage. P.M. Peak fixture; if P.V. unit in store, must have a P.M. Pr. Value unit. <b>Plan C1 - MPL 2</b> Comply with MPL 1 +
<b>Extra Rows</b>	28-120 (120 Max)	Volume 800 + \$7-31 = \$8.99 ea. Volume 400-800 \$5-27 = \$3.99 ea.	11 & 12 (16 Max)	17-30 (48 Max)	1) spillover or 2) bottom rows are part of a vertical merchandising set.	88 PM Peak fixture with PM on 80% from top down. If retailer has a Black & White or Private Label, must carry P.M.'s. <b>Plan C1 - MPL 3</b> Comply with MPL 1 +
<b>Payment for above Extra Rows</b>	\$2.00 per row	Volume 800 + \$5-38 = \$4.00 ea. \$7-40 = \$4.90 ea. Volume 400-800 \$3-28 = \$3.90 ea.	\$4.00 per row	\$5.00 per row	<b>SILVER</b> Provide B & W with accurate volume data.	Marlboro front end & 88 checkout displays @ 80% of ALL checklines in the store, or an "exclusive" 88 Promo. Unit at the express checkline. No competitive fixtures. <b>Plan C1 - MPL 4</b> Comply with MPL 1, 2, and 3. <b>FLEX Dollars - Comply with MPL 1 &amp; 2, 3, 4, 5, or 1, 2, &amp; 3.</b>
<b>Additional Information</b>	Retailer must maintain an R.J.R. peak fixture if they sell loose packs. R.J.R. pays additional monies for package fixtures (UPM's). Payments range from \$28.85 to \$100 per UPM.	The first 12 rows must be contiguous on the 8th shelf or better. They will no longer pay for rows on the bottom shelf.	Pay \$5.00 per row for rows 12 thru 16.	Rows 31 + paid at \$4.00 per row. Primary shelf of Lorillard's choice, with additional space contiguous.	Price B&W product competitively and demonstrate price as in signage. Share of Fixings must be B&W Share of Market on package and carton fixtures.	PM VOL. MPL 1 MPL 2 or 3 MPL 4 FLEX 78-85 \$111 \$187 \$820 \$37 98-120 \$140 \$210 \$250 \$47 121-150 \$178 \$264 \$362 \$88 161-180 \$221 \$332 \$445 \$74 191-240 \$260 \$420 \$600 \$63 241-300 \$361 \$527 \$705 \$117 301 + \$440 \$688 \$880 \$147 +
<b>General Comments</b>	No competitive advertising above space occupied by R.J.R. R.J.R. will not buy space on a Philip Morris fixture. R.J.R. will continue to supply the "bank" fixtures FREE to retailers, but they will no longer cover the cost of Electronic security, shields, etc. If a retailer chooses to do vertical merchandising, the retailer or competitive company is expected to cover 1/3 of the cost of the fixtures. Shelf Descriptions: 1 1/2" = 8 rows (max) 2" = 9 rows (max) 4" = 18 rows (change) Note: 4" was equal to 13 King Size rows.	They will continue to pay for the 8th shelf on a P.M. fixture. Also require a minimum of 11 Full Price & 14 Price Value brands to be stocked to qualify for payment. This can not include their private label brands. A 1 time Bonus if an increase in ATC rows by: 8 rows = \$150.00 9 rows = \$100.00 4 rows = \$75.00 3 rows = \$50.00 Paid in full after 1st full quarter.	Will buy rows anywhere including on the price value fixture. Offer a retailer education program, which pays for home study courses from Cornell University. Retailer must meet certain criteria. Payment based on Mng size rows.	Payment based on Mng size rows. The difference in Plan A versus Plan B is an additional \$12.00 paid in Plan A for front faced fixtures with 4 feet or less.	Stock all choice brands. <b>GOLD</b> Meet all Silver level, B&W in 1st, 2nd, or 3rd marketing position. Permanent POP. Limit out of stocks. Participate in all B&W promotions, including new brands & displays. <b>PLATINUM</b> Meet all Silver and Gold requirements. A Free Standing display with signage. Enhanced signage or media promotion.	<b>Plan C2 - MPL 1</b> 88 Cartons fixture prior to the checkout area. If P.M. fixture, P.M. must occupy Top 2 shelves + contiguous space; if R.J.R. fixture P.M. must have 2nd + contiguous plus 80% of fixture signage. If vertical merchandising, P.M. wants 80% of top plus signage. P.M. Peak fixture; if P.V. unit in store, must have P.M.'s. P.V. unit. <b>Plan C2 - MPL 3</b> Comply with MPL 1 + 88 PM Peak fixture with PM on 80% from top down. If retailer has a Black & White or Private Label, must carry P.M.'s. <b>Plan C2 - MPL 3</b> Comply with MPL 1 + Marlboro front end & 88 checkout displays @ 80% of ALL checklines in the store, or an "exclusive" 88 Promo. Unit at the express checkline. No competitive fixtures. <b>Plan C2 - MPL 4</b> Comply with MPL 1, 2, and 3. <b>FLEX Dollars - Comply with MPL 1 &amp; 2, 3, 4, 5, or 1, 2, &amp; 3.</b> PM VOL. MPL 1 MPL 2 or 3 MPL 4 FLEX 78-85 \$74 \$111 \$140 \$37 98-120 \$84 \$141 \$188 \$47 121-150 \$117 \$178 \$235 \$58 161-180 \$148 \$222 \$290 \$74 191-240 \$187 \$280 \$373 \$83 241-300 \$264 \$381 \$486 \$117 301 + \$284 \$441 \$585 \$147 +

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**PLAN I MONTHLY PAYMENTS**  
**VOLUME 500+ CARTONS PER WEEK**

TOTAL ROWS	RJR 500+	AMERICAN 400-500 500+	ELM 500+	LOH (A-12) 500+	LOH (B-16) 500+	TOTAL ROWS	Philip Morris Plan C1 88 Cigarettes & 88 Packs	BROWN & WILLIAMS
10	UPM		MIN ROWS REQ.				P.M. Volume	B&W Volume
11	1 UNIT   1 UNITS						MPL 1	SILVER (Level 1)
12	850.00   \$100.00						MPL 2 or 3	
13	PER MONTH						MPL 4	
14	CAPACITY 150+						Flex \$	
15	1 UNIT   1 UNITS							
16	\$100.00   \$100.00							
17	PER MONTH							
18								
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21	TOP							
22	SHARP							
23	PLUS							
24	\$60.00							
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